

## Northside Center

for Child Development, Inc.

1301 FIFTH AVENUE, TEL: 212-428-8400 FAX: 212-410-7581

NEW YORK, NY 10028 FCC, Office of the Secretary 445 12th Street SW Washington, DC 20554

April 21, 2005

DOCKET FILE COPY ORIGINAL

RE: Administrator's Decision on **Appeal-**Funding Year 1999-2000

Applicant Name: Northside Children's Day Ctr

Billed Entity No:

10113

Funding Request Number: 272219

CC Docket No: 02-6

Dear Sirs.

I am writing to **APPEAL** the E-Rate funding decision for E-Rate funding year 2. The commitment adjustment letter of 1/31/03 (see attachment #1) stated that the reason we were denied the entire funded amount of \$109,192.50 originally approved for the 1999-2000 funding year, was that (\$3,800) of hardware ("Hubs") were not installed until May of 2002. Given that there was a delay in installing the hubs, but no delay or interruption whatsoever in providing internet access to our students in the funding year in question, we appeal the decision to deny the entire \$109,192.50 in funding for that year.

Northside did err in anticipating that the hubs would be needed sooner than they actually were needed. As a result of this purely technological error, it was impractical to install the new hubs until after the funding year in question had ended. As stated in our Letter of Appeal dated March 25, 2003 (see attachment #2) funds for installing the hubs were available but it turned out that the hubs were needed only for later expansion. Meanwhile, \$105,392.50 of the funded amount was spent on timely basis to provide much needed services.

For an error relative to when a \$3800 expenditure would need to be made to cause a denial of \$105,392,50 in funding for other items that were needed and used on a timely basis seems out of all proportion. The students in a school that, according to census data, come from a census district that is as poor as any census district in the country, should not be punished at a multiple of over 27 times the amount of the cost of an innocent technological error by our Systems Administrator.

The most high tech computer companies in the world make technological errors planning their future needs all the time.

The exact timing of the future need for computer hardware does not admit the precision demanded here by the severity of the penalties. A penalty over 27 times the

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cost of an error in computer planning by a not for profit school in a low income neighborhood needs to be reversed.

We respectfully request that you use your discretion to reverse this <u>unusually</u> <u>excessive and punitive</u> decision. Based on a technological error, Northside was late in installing \$3,800 (3.5% of the grant amount) worth of hubs. Let the suspension of funding of \$3,800 for the hubs stand. As for the remaining \$105,392.50, i.e. the 96.5% of the grant money that was properly and timely allocated, for the reasons stated above, we respectfully request that you reverse the funding decision and restore those funds.

Should you require additional information concerning this matter, please do not hesitate to contact me at your convenience.

Sincerely,

Paula Magnus
Deputy Director of Finance and Administration

Cc: Thelma Dye, Executive Director
USAC-Administrator's Decision on Appeal, Box 125-Correspondence Unit
80 South Jefferson Road, Whippany, New Jersey 07981

certified mail # 7004 2510 0006 9858 0021



## Northside Center

for Child Development, Inc.

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FCC, Office of the Secretary 445 12th Street SW Washington, DC 20554

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FCC - MAILROOM

RE: Administrator's Decision on Appeal-Funding Year 02-03

Applicant Name: Northside Children's Day Ctr

Billed Entity No:

10113

Funding Request Number: 928442, 928271, 928436, 928439, 928542,

1020887

Dear Sirs.

I am writing to **APPEAL** the E-Rate funding decision for E-Rate funding year 03.

In the denial re Funding Request number 928442, the Administrator states that we did not comply with E-Rate's competitive bidding requirements because we did not re-post a Form 470. I personally made at least 4 separate calls to E rate asking what the procedure was to replace the existing vendor who cancelled the contract in the middle of the funding year. I was never told by any of the E-Rate officials I spoke with that a new Form 470 needed to be filed. Meanwhile, I did solicit quotes from 9 vendors to get Northside the best price. Northside's actual competitive bidding process far exceed the empty formality of posting a Form 470 out of season, when no vendor would be reading Erate's website. Further, the price the replacement vendor charged was so low that since Northside signed with them, they realized they weren't making money and withdrew from providing internet connectivity. Given the repeated failure of E rate administrators to correctly and completely explain E rate rules and that the substance of Northside's actual competitive bidding process far exceeded E rate requirements, the funding decision re funding request number 928442 should be reversed.

In the denial re Funding Request numbers 928271, 928436, 928439, 928542, 1020887 the Administrator conclusively states, "This documentation does not constitute an operating budget." Regardless of this unsupported conclusion, E rate should be bound by the precedent of having previously accepted budgets in the exact same form on two prior occasions.

In sum of both appeals here, if both funding decisions are not overturned it means the FCC thinks E-Rate doesn't accurately have to tell Schools what to do to comply with E-Rate procedures and that E Rate isn't bound to follow its own past practices, but can change them without notice as a means of denying funding. We respectfully request that you reverse both of these irresponsible funding denials and hold E-rate to a higher standard of accountability to the Schools with which E-Rate works.

Operations Manager

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Cc: Thelma Dye, Executive Director

USAC-Administrator's Decision on Appeal, Box 125-Correspondence Unit

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